

ACTON COMMUNITY HOUSING CORPORATION  
P.O. BOX 681  
ACTON, MA 01720  
(978) 263-4776

4/28

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Memo to: Board of Selectmen

From: Betty McManus, Clerk ACHC

Subject: Draft Letter of Interest for Soft Second Loan Program's second round of funding  
Letter needs to be signed by Chief Elected official

Information packet provided- please contact either Nancy Tavernier or Betty McManus if any questions. The Town was awarded funds several years ago and the funds recently have been accessed by income eligible First Time Homebuyers applying to local banks to purchase condominiums.

Ms. Catherine Racer  
Soft Second Loan Program  
Department of Housing & Community Development  
One Congress Street-10<sup>th</sup> Floor  
Boston, MA 02114

Dear Ms. Racer:

The Town of Acton is submitting a letter of interest for the Soft Second Loan Program's second round of funding. The Town anticipates twelve to fourteen "Affordable" units to become available for purchase by low and moderate income First Time Homebuyers during the next six to twelve months. Twelve of these homes will be developed under two (2) 40B projects. The developers of the two projects anticipate pricing the "Affordable" units at \$145,000 to First Time Homebuyers with household income no higher than \$64,640. The Town is submitting this Letter of Interest in order that First Time Homeowners with incomes of no less than \$31,500 will be able to purchase a home by accessing the Soft Second Loan Program's monies.

In recent years the Town's Board, Acton Community Housing Corporation (ACHC), charged with developing affordable housing has successfully provided homes to sixteen First Time Homebuyers under the Department of Housing and Community Development's (DHCD) Local Initiative Program (LIP). Three of the sixteen homes were sold to eligible income clients of the Acton Housing Authority. The Town has worked closely with the developers of the LIP homes by assisting in the marketing and lottery process. Recently the Town successfully negotiated with a private developer the donation of \$300,000 to the Acton Housing Authority for the purchase of two condominiums for the Authority's family housing program. The Town also negotiated three rental units for low income eligible applicants in an assisted living facility. The application and lottery process was successfully held and eligible low income elderly applicants have filled the three assisted rental units. Acton has received certification under Executive Order 418 for FY 2002 and 2003 and will be submitting another application in June for FY 2004.

Enclosed please find letters of commitment from Community National Bank, Fleet Bank, Cambridge Savings Bank and the Citizens Bank stating their willingness to work with the Town in providing the Soft Second Loan Program. The Town of Acton has been in the forefront of developing affordable housing to low and moderate income homebuyers since 1986 and with DHCD's favorable review of the Town's Letter of Interest prospective low income homebuyers will be able to purchase a home. The Soft Second Loan program will be marketed to prospective First Time Homebuyers through an information packet which will be sent to interested First Time Homebuyers. Currently the ACHC maintains a waiting list of over 150 interested First Time Homebuyers.

Should you have any questions or need additional information please contact the Clerk of the ACHC, Betty McManus at (978) 263-4776.



April 17, 2003

Betty McManus, Clerk  
Acton Community Housing Corporation  
P.O. Box 681  
Acton, MA 01720

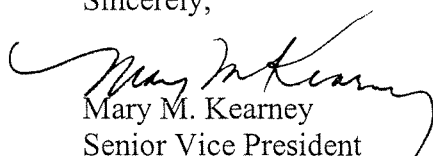
Dear Ms. McManus:

Cambridge Savings Bank supports the Town of Acton's application to the Massachusetts Housing Partnership's Soft Second Loan Program. We are pleased to participate in this program which provides support to low-to-moderate income housing issues in the community.

Cambridge Savings Bank will make available \$500,000 towards the Town's Soft Second Loan Program. The terms for the mortgages will be governed by the Soft Second Loan Program Agreement that we have with Massachusetts Housing Partnership.

We look forward to working with the Town of Acton on this program.

Sincerely,

  
Mary M. Kearney  
Senior Vice President  
Residential and Consumer Lending



April 16, 2002


Acton Community Housing Corporation  
P.O. Box 681  
Acton, MA 01720  
Attn: Betty McManus

Dear Betty,

**Community National Bank** is pleased to offer our support for Acton's Soft Second Program as offered through the Massachusetts Housing Partnership Fund.

We will extend a financial commitment of \$100,000 for 2003 -2004. We look forward to working with you and your office staff as well as your first time homebuyers.

Yours truly,

  
Lynda L. D'Orlando  
Mortgage Officer

cc: o.k./RV



**Fleet**

*Mortgage*

Mail Stop: MA DE 10305S  
One Federal Street, 5th Floor  
Boston, MA 02110

April 14, 2003

Ms. Betty McManus  
Acton Community Housing Corporation  
P. O. Box 681  
Acton, MA 01720

Dear Ms. McManus:

This letter serves, as Fleet Bank's indication of continued participation in the Soft Second Mortgage Program in Acton.

Fleet Bank strongly supports the Town of Acton's application to secure additional commitments from the Executive Office of Communities and Development.

If you have any questions or concerns, I can be reached at 617-346-0615.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Lisa Lasch'.

Lisa Lasch  
Relationship Manager

Cc: Maryruth Ryan, Fleet Mortgage



Member FDIC



CITIZENS BANK

Julie M. Connelly  
Vice President  
Director of Community Relations  
  
Citizens Bank of Massachusetts  
Exchange Place  
53 State Street Building  
Boston, MA 02109  
617 725-5875 FAX 617 725-5790

April 17, 2003

Ms. Naomi E. McManus  
Clerk  
Acton Community Housing Corporation  
P.O. Box 681  
Acton, MA 01720

***RE: Town of Acton Soft Second Loan Program***

Dear Ms. McManus:

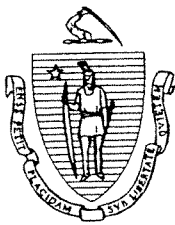
Citizens Bank of Massachusetts is pleased to make a commitment to the Town of Acton's Soft Second Loan Program. We have had much success in financing low and moderate income first time homebuyers through this program in other cities and towns throughout the Commonwealth.

We hope that sufficient funds will be available to support this important partnership between the Commonwealth, the Town of Acton and Citizens Bank.

If you have any questions or would like additional information, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Julie M. Connelly".



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Mitt Romney, Governor ♦ Kerry Healey, Lt. Governor ♦ Jane Wallis Gumble, Director

March 21, 2003

Dear Local Official:

The Department of Housing and Community Development (DHCD) is pleased to announce the second round of funding for the Soft Second Loan Program (SSLP) for fiscal year 2003 (FY2003). DHCD anticipates awarding \$2,000,000 in SSLP funds during this funding round. The Soft Second Loan Program, a joint effort among the Massachusetts Bankers Association, DHCD, and the Massachusetts Housing Partnership Fund (MHP), supports local soft second programs to increase affordable housing opportunities for low- and moderate-income first-time homebuyers.

To be eligible for this funding round, communities must have reserved fifty percent (50%) of any previously awarded program funds. In addition, communities that have not previously received SSLP funds are invited to apply. To take advantage of the available funds interested communities should respond to this notification by April 30, 2003. DHCD will evaluate proposals in accordance with the criteria outlined in the attached Soft Second Loan Program Outline for Letters of Interest.

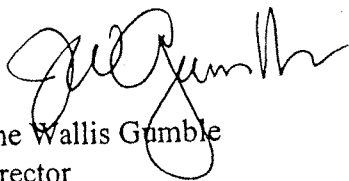
The letter of interest should respond to the attached outline. The letter must be signed by the chief elected official and must include a confirmation from one or more local lenders notifying DHCD of their willingness to participate in the program.

As you may know, on January 21, 2000, Executive Order 418 was issued. It directed the Department of Housing and Community Development to give priority in awarding discretionary funds, including Soft Second Loan Program funds, to those cities and towns that have taken steps to increase the supply of housing to individuals and families across a broad range of incomes.

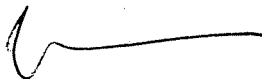
Communities must be certified under Executive Order 418 in order to apply to the Soft Second Loan Program. If you have been certified, my staff and I thank you for taking that important step. If your community has not been certified, we encourage you to submit the required documentation by April 30, 2003, so that your community may qualify for this round of Soft Second Loan Program funds.

We appreciate your interest in affordable housing and look forward to working with you. If you would like additional information, please contact Ben Johnson of DHCD at (617) 727-7824, extension 433.

Sincerely,



Jane Wallis Gumble  
Director  
Department of Housing  
Community Development



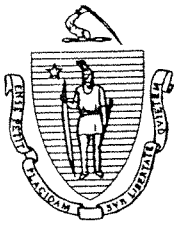
Clark Ziegler  
Executive Director  
Massachusetts Housing  
Partnership Fund



Daniel J. Forte  
President  
Massachusetts  
Bankers Association

cc: Catherine Racer - DHCD  
Heather Hennessey - MHP





Commonwealth of Massachusetts

## DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Mitt Romney, Governor ♦ Kerry Healey, Lt. Governor ♦ Jane Wallis Gumble, Director

### SOFT SECOND LOAN PROGRAM

Outline for Letters of Interest  
Spring 2003

#### **Program Summary:**

The Soft Second Loan Program (SSLP) is a joint initiative of the public and private sectors to increase affordable housing opportunities for low- and moderate-income homebuyers in Massachusetts. Please refer to the attached Soft Second Loan Program General Program Information for a description of the program.

#### **Objective:**

Eligible communities or consortia interested in participating in the Soft Second Loan Program at this time must have reserved at least fifty percent (50%) of any previously awarded program funds. Communities that have not previously received SSLP funds also are invited to apply. In order to take advantage of the funds currently available, eligible communities or consortia should respond by submitting a letter of interest to the Department of Housing and Community Development (DHCD) by April 30, 2003.

#### **Deadline:**

In order to be considered by this funding, the letter of interest must be received at DHCD by the close of business on Wednesday April 30, 2003. Letters of interest must be submitted to:

Soft Second Loan Program  
Department of Housing and Community Development  
One Congress Street – 10<sup>th</sup> Floor  
Boston, MA 02114  
Attention: Catherine Racer

The letter should be signed by the chief elected official of the city or town, and should include the name and phone number of a local contact person.

**Content:**

The letter should include the following information to convey the community's anticipated usage of any awarded SSLP funds:

- a) Anticipated volume of loans that will be reserved during the funding period;
- b) Volume of lending offered by local banks (please identify specific bank commitments to the program for your community);
- c) Contributions made by the community, including local funds used to share the cost of the subsidy loans and/or to offer an associated down payment assistance program, homebuyer counseling program, marketing, etc.;
- d) Elements of the local program, including how the program will be marketed and a description of the manner in which prospective homebuyers will be identified, income-qualified and assisted through the home buying process; and,
- e) Schedule for the program, including number of anticipated closings per quarter.

**Funding:**

DHCD will reserve funding for those communities most ready to use state resources, identify and assist prospective homebuyers, and work actively to encourage participation by local lender. Priority will be given to communities that demonstrate local commitment to and support for the program.

If you would like additional information, please contact Ben Johnson of DHCD at (617) 727-7824, extension 433.

We appreciate your interest in affordable housing and look forward to working with you on this matter.